CHRISTIAN SERVICE UNIVERSITY COLLEGE

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING AND FINANCE

ASSESSING THE IMPORTANCE OF RETAIL BANKING TO THE DEVELOPMENT OF GHANA (A CASE STUDY OF ADUM METROPOLIS)

BY

AMANKWAH RITA

AGYEMANG PREMPEH FIONA

OWUSU-AMPONG EMMANUELLA

OTU VERONICA

OTOO KWESI ENOCH

A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS, CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI-GHANA, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION

MAY 2018

DECLARATION

We have read the university regulations relating to plagiarism and certify that this report is all our own work and not contain any unacknowledged work from any other source. We also declare that we have been under supervision for this work herein submitted.

Name	Index Number	Signature	Date
Agyemang Prempeh Fiona	10001728	...……………	……………...
Amakwah Rita	10002222	...……………	………………
Owusu-Ampong Emmanuella	10004499	……………..	………………
Otu Veronica	10002029	………………	………………
Otoo Kwesi Enoch	10002120	………………	………………

Supervisor's declaration

I hereby declare that the preparation of this dissertation was in accordance with the guidelines on supervision laid down by Christian Service University College.

Dr. Solomon Arhin ……………………. …………………….
Name of Supervisor Signature Date

Dr.(Mrs.) Joyce Ama Quartey ………………….. …………………..
Name of Head of Department Signature Date

ABSTRACT

This article studies the importance of retail banking to the development of Ghana, a case study of Adum metropolis. This aims to provide the explanation as to why people do not make full use of the retail banks they have been transacting business with day in and day out and how important these retail banks are to the Ghanaian economy. A well designed quantitative questionnaires was used to collect data from respondent within the scope (Adum metropolis). The probability method (simple random technique) was used to select respondents to answer the questionnaires. The respondents included a staff of twenty-five (25) from the selected retail banks and customers of about seventy-five (75) as well. The data were analyzed to identify, describe and assess the importance of retail banks to the development of Ghana, using the Statistical Package for Social Sciences (SPSS) software version 25.0. A generalization was made after the data analysis to achieve the research objectives. The generalizations made from the analyses included; Retail banks helps to fight against unemployment in the economy, Retail banking is presumed to be for the middle and low class when it comes to social and economic status, Services charges are more affordable. Based on the results, we recommend that future researchers who wish to pursue this topic should concentrate on areas such as Service quality in retail banking and Customer service in retail banking and its importance in the banking sector.

ACKNOWLEDGEMENT

We are extremely grateful to the almighty God for giving us life, ability and wisdom to carry out this study.

We wish to express our sincere gratitude to our supervisor, Dr. Solomon Arhin, a lecturer in the school of business, department of the accounting and finance, Christian service college, Kumasi who in his numerous schedules and engagement in the academic and social field spared his vital time and efforts to read through this scripts and helped us make the necessary corrections to make this article a successful one, God richly bless him and his family.

Our sincere gratitude goes to our parents and loved ones for their prayers and support. Our sincere appreciation again goes to our friends and course mates and anyone who made this essay possible.

DEDICATION

We dedicate article to the Almighty God who has been our strength and motivator throughout the

preparation of this essay. Secondly, we dedicate this work to our parents and loved ones who

supported us in prayer to make this article successful.

TABLE OF CONTENTS

APPENDIX

LIST OF TABLES

LIST OF FIGURES

CHAPTER I

1.1 INTRODUCTION

Banking systems across the globe has evolved recently. They have been segmented into various types according to the functions each of them perform. They include corporate banking; which refers to the banking that deals with corporate bodies, retail banking which also refers to the provision of banking services to individual customers, investment banking; which also deals with specializing in underwriting securities and providing advisory services to corporate bodies, and also private banking which also focuses on providing banking services to only high net worth individuals.

For the purpose of this study, our concentration is on the retail aspect of the retail aspect of the banking systems. The research topic "Assessing the importance of retail banking to the development of Ghana" will enable this research bring out what these retail banking systems really to for the country, how they do them and what they go through in doing them.

1.2 BACKGROUND OF THE STUDY

Retail banking, also known as consumer banking, is the provision of services by a bank to individual consumers, rather than to companies, corporations or other banks. Services offered

include savings and transactional accounts, mortgages, personal loans, debit cards, and credit cards. The term is generally used to distinguish these banking services from investment banking, commercial banking or wholesale banking. It may also be used to refer to a division or department of a bank dealing with retail customers. Retail banking is the visible face of banking to the general public. Banks that focus purely on retail clientele used to be relatively few, and most of retail banking is conducted by separate divisions of banks, large and small.

Customer deposits generated by retail banking represented an extremely important source of funding for most of the banks in both public and private sector. The retail banking sector is characterized by three basic characteristics, and they are

MULTIPLE PRODUCTS; Retail banks provide multiple products such as credit cards, insurance, investments and other securities. Products and services under retail banking are supposed to be standardized. There should not be any customization of product to individual. The types of products offered by the retail banks to its clients may include; Current accounts, savings accounts, Debit cards, ATM cards, Credit cards, Traveler's cheques, Home equity loans, Personal loans, Certificates of deposit/Term deposits

MULTIPLE CHANNEL OF DISTRIBUTION; Retail banking products are offered across multiple channels and at multiple places such as branch, internet, atm telephone etc.

MULTIPLE CUSTOMER GROUPS; Retail banking involves working to reach out groups of individuals, the banks also need to have appropriate systems, structure, manpower and processes in place to deal with group characteristics, group behavior and group dynamics for the clientele.

1.3 PROBLEM STATEMENT

Retail banks in the financial institution are not just there to take deposits and give out loans to its clients. They even do more than we can explain. We have also realized that most clients of retail banks only make use of retail banks by making deposits, making withdrawals and sometimes taking loans. Retail banking comes with its own challenges that mostly may prevent customers interest in the retail banks. According to Anidhya Bhatnagar with seven (7) years experience in banking, he explains the top three challenges that are being faced by the retail banking

Meeting Customer Expectations; Meeting the customers` expectation has always been a tough task in any industry and same goes to the retail banking industry, however with the increasing number of banks and branches, the customer expectations are increasing day in day out which is difficult for any retail banks to meet the whole set of requirements since retail banks have the regulatory pressure, it is difficult some time to meet the customer expectation and have to lose them. With technology advancement and new developments in the banking sector, the customers are getting more demand and these demands cost the banks somewhere.

Economic Slow Down; As china is facing economic downturn with unrest in Hong Kong and its economy is slowing down the near future of the economy does not look promising. Hence the impact is global and hence affects the deposits in the banks along with business being shut down due to economic shutdown, banks assets getting None Performing Asset(NPA) due to various economic factors and it again creates a challenge for the bank maintain their profitability and expansion along with meeting the customers` expectation.

Cyber Crime; With the increase in technology and advancement in retail banking with mobile and web solutions ease of banking, banking from home, 24x7 banking, the rate of cybercrime/phishing attacks is increasing day by day. Each day retail banks have challenge to protect their clients' money or protecting their deposits from falling prey to any cyber criminals.

1.4 RESEARCH OBJECTIVES

The objectives of this research are as follows

1. To know the major importance of retail banks

2. To know why clients prefer retail banks to other types of banks

3. To know why people do not like retail banking

4. To know the challenges faced by the retail banking industry

5. To find out what can be done to improve the retail banking sector

1.5 RESEARCH QUESTIONS

1. What is the major importance of retail banking?

2. Why do people prefer retail banking to other types of banking?

3. Why people do not like retail banking?

4. What challenges are faced by the retail banking sector?

5. What can be done to improve the retail banking sector?

1.6 SIGNIFICANCE OF THE STUDY

This research is not only going to benefit us the researchers but a great deal of information from this research will benefit the policy makers, management, shareholders and also clients of the retail banks. Information from this research will go to these retail banking firms and to enable them improve their banking systems in a way that will benefit all stakeholders of the retail banking industry. This study will also bridge the academic gap. Discoveries made from this study will be made known to anyone who wishes learn anything about the retail banking industry. This in a long run will help to narrow the academic gap. The finding of this research will again help the Bank Of Ghana (BOG) management to put orders in place in order to modify the retail banking sector since they are the mother of all the types of banks in the country

If there is an unexpected cessation of this study, it wouldn't be a waste of time and resources for us the researchers, rather, management and stakeholders of the various retail banks will miss a great deal of data and information that could have assisted them in carrying out and monitoring the retail aspect of their banking industry. One thing about this fact is that lots of researchers have worked on the banking industry but they only focus on the customer service and other areas of the bank and we all know customer service is not the only aspect of the bank. Notwithstanding the facts and finding of our fellow researchers, we would like to make this research a unique and different by trying to assess how the retail banks are of importance when it comes to the

development of the nation and also to see how the challenges faced by these retail banks can be solved and minimized.

1.7 SCOPE OF THE STUDY

This study is going to be a case study on the retail aspects of the banks in Adum-Kumasi. The study will include banks such as Agricultural Development Bank (ADB), Standard Chartered Bank, Societe General Ghana, Ecobank Ghana.

The study will try to assess how clients/customers of these various retail banks feel in transacting business with the banks. The manager and the staff too will be assessed to know how they feel when serving their clients. We will be looking at the enthusiasm of the staff and management, efficiency and effectiveness of the branch as a whole, and lastly comment from clients as well. Further critical analysis will be made and a generalization will be made based upon the findings made from these banks. The outcome of this research will be made known to other external stakeholders and other banks who unfortunately our research couldn't cover.

1.8 LIMITATIONS OF THE STUDY

In carrying out this study, the following challenges were encountered; however, these limitations did not in any way bias the outcome of this article.

Firstly, access to information; it is a challenge getting the required information from some respondents. Despite being made aware the educational purpose of this study, some were reluctant to offer the need information.

Also, the time for conducting this research would also be another drawback to the completion of the whole work. Academic commitment and other personal commitments are sometimes difficult to manage. It is quite a challenge collecting data from respondent since research period concurred with the activities of the academic period.

CHAPTER II

LITERATURE REVIEW

2.1 INTRODUCTION

Before embarking upon the actual conduct of the study, a survey of available and pertinent published work on the subject of this study is made in order to have an acumen into the depth of Retail Banking and also the specific aspects covered in the work. The Literature Review presented below recounts the work so far done in the field of present study, the nature of the work, the aspects dealt with as well as brief outcome emerging from the studies. The present study is accordingly, devoted to a detailed probe into the retail banking industry. It also focuses to make a comparative study, on the basis of quality dimensions, between public sector banks and private sector banks. The study has set its scope to evaluate the nature, prospects and challenges as well as organization and working of retail banking industry

2.2 THEORITICAL FRAMEWORK

Retail banks create the supply of money in the economy. Since the Central Bank only requires them to keep 10 percent of deposits at hand, they loan out the remaining 90 percent. Each cedi lent out goes to the borrower's bank account. That bank then lends 90percent of this money, which goes into another bank account.

As you can imagine, this is a powerful tool for economic expansion. To ensure proper conduct, The Central bank controls this as well. It sets the interest rate banks use to lend funds to each other. Banks set all other interest rates against it. If the base rate moves higher, so do all other rates. Most retail banks sold off their mortgages to large banks in the secondary market. For this reason, and because they had large deposits, they were primarily spared from the banking credit crisis of 2007.

Figure 1
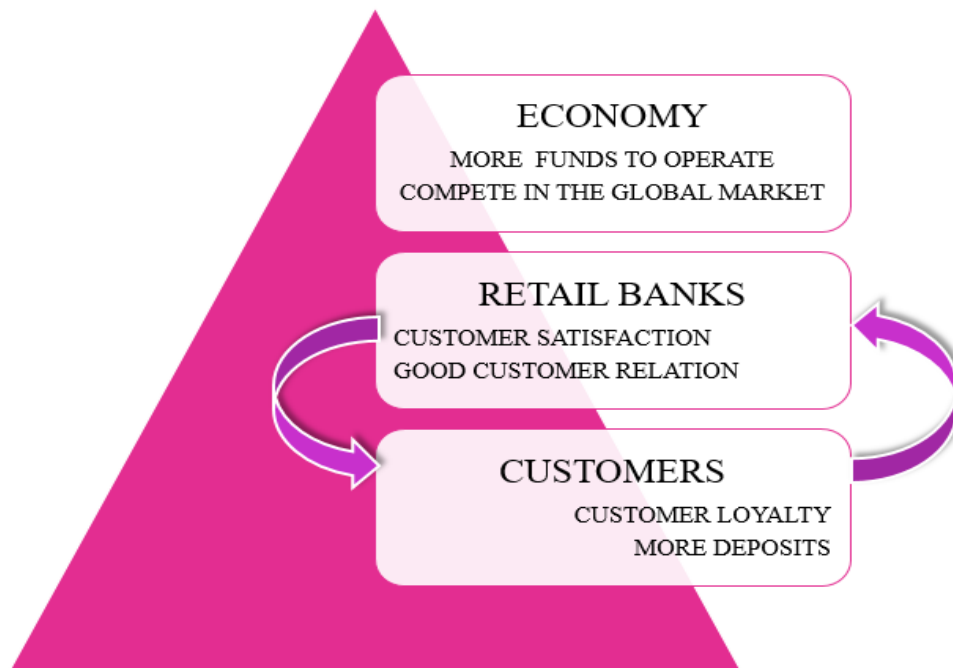
The diagram above (figure 1.0) indicates how both retail banks and customers of the various retail banks helps to develop the economy

Banks are financial institutions and they are render services to these customers. They are to make sure that customers are satisfied with the services they receive.

They also ensure that they build good relations with these customers in order to retain customers.

Customers on the other hand are the backbone of every business. When they are satisfied with the services rendered to them by their retail banks, they tend to be loyal to these retail banks and also end up giving them more deposits to operate.

The economy being the upmost target tend the benefit from the good relation between these two parties (customer and retail bank).

The economy gets more funds to operate as a result of the more deposit generated from loyal customers of the various retail banks. This also enable the economy to compete in the global market

2.3 RELATED STUDIES

A number of studies have been conducted in India and abroad on various aspects of banking especially retail banking. Some worthwhile studies relating to the present topic (The importance of Retail banking to the Development of Ghana) are reviewed here.

Delvin James (1995) makes a case study of the retail banking services in UK using First Direct, a subsidiary of Midland Bank. He concludes that banks can increase their market share through proper communication and prompt delivery of their products.

Jamal and Naser (2002) makes a study on "The factors influencing customer satisfaction in the retail banking sector of Abu Dhabi". He collected the necessary data using structured questionnaire. Customer response to questionnaire shows that the customer expectations from the bank and service quality provided by the banks are the major determinants of customer satisfaction. Their investigation on factors influencing customer satisfaction in the Pakistan retail banking sector15 also reveals that service quality is the important determinant of customer satisfaction.

Gilotra (2003), in his study on retail lending, views that the success of retail lending of a bank depends on factors like marketing efficiency, proper appraisal and follow-up. He also finds that HDFC has become very excellent in housing finance solely due to the long term strategies adopted by them.

R.Kumar (2003) in his study "Retail banking growth drivers and analysis of associated risks" views that banks should review the retail loan portfolio at periodical intervals in a structured manner for identifying the risks and upgrading the strategies for the reduction of risk.

Filomina's (2004) survey on expectations of customer from retail banks shows that none of the banks are able to meet the diverse needs of customers. As a result the customers are not so loyal to a particular bank and go for multiple banking. Customers are aware of the variety of products and services that are available in the banking sector and demand them from their banks. The aggressive banking of new generation banks make customers dislike them

Groeneveld and Wagemakers (2004) in their article "Retail banking strategies in Europe" analyse retail banking strategy with special emphasis on retail banking in the broadest sense of the word. He finds that many banks rediscovered retail banking after the collapse of investment and corporate banking activities and the fall in the stock prices in the last few years. The retail banking strategies in general and   the strategic positioning of Rabobank group in particular are described in the study.

Zhou's (2004) study is on "The dimensions of customer satisfaction in the Chinese retail banking". The factors contributing to customer satisfaction are determined using the model of SERVPERF. Her study points that empathy or responsiveness of the employees, reliability or

assurance from the bank and tangibility of services are the important factors affecting customer satisfaction.

Bhayani (2005) conducted a study among 200 customers on the retail banking awareness of private banks, nationalized and co-operative banks in the Rajkot city of Gujarat. The conclusion she arrives at is because of the low literacy among the customers, they are not aware of technology assisted banking services. So the banks should try to create awareness among customers on technology and technology driven products for better retail banking operations.

Sudhir (2005) in his study "Retail banking – a paradigm shift" points out that the potentials of retail banking in rural and semi urban areas remain untapped. The potential customers in the rural and semi urban areas provide opportunities for the growth of retail banking in future.

Ndubisi and Wah (2005) studied on the "Factors affecting customer satisfaction in the Malaysian retail banking". They made a field survey using structured questionnaire among the bank customers in Malaysia. Using the method of factor analysis they identified five important factors of customer satisfaction. are They are communication, competence, trust, conflict handling and relationship quality.

Amit and Anwarin (2006) view that most of the Indian banks are providing retail banking services like phone banking, internet banking, multi-city cheque facility, any branch banking and

bill pay services. Along with this technology based services, banks are concentrating on business intelligence for providing better customer services

Arun Kumar (2006) in his study entitled "Retail banking-its socioeconomic impact" argues that retail banking has failed to improve the socioeconomic conditions of retail loan customers.

Deepal Singh (2006) 42 who made a study on "Consumer behavior and banking of retail products" argues that borrower's attitude is the most important factor which determines the success of housing loan scheme.

Laxman (2006) in his article "Retail banking, small and beautiful dimensions" identifies the convenience of the customers, excellence in processing and cost effectiveness as prime factors determining the success of retail banking.

Focus of Neetu Prakash's (2006) comprehensive study on "Growth of retail banking in India" is growth pattern of retail banking in India. Her argument is that even though the growth of Retail banking in India is very small compared to world standards, the growth and development of retail banking is an important milestone in the Indian banking sector development. She also finds that the performance of private sector banks is better than that of their public sector counterparts in the growth of retail banking.

Pikkarainen, Pikkarainen, Karjaluoto, and Pahnila (2006) studied the "Factors affecting online banking customer satisfaction in the Finnish retail banking". Convenience sampling was adopted and data was collected with a structured questionnaire. The outcome of their research is that website content, ease of use of the websites and accuracy are the important factors of customer satisfaction.

Shyamala (2006) in her study "Retail banking –opportunities and challenges" has identified certain opportunities and challenges of retail banking in India. In her opinion, the growing youth population, technological developments like ATM, credit card, internet banking etc are the major opportunities and challenges in Indian retail banking

The focus of Dhandapani Alagiri's (2007) article "Retail banking: challenges" is on the retail banking in India with increased consumer spending and increased challenges in the form of competition and technology up-gradation. He concludes that the most important issues for the new generation customers are product innovation and competitive packaging services. Retail banking increased the uses of the mobile phones and e-banking facilities for quick service. As a result, the security and confidentiality have become very difficult to maintain. This has become a major problem for the banks in India. Another result of the study is that credit delivery mechanism has been improved considerably with the advent of technological advances.

Molina, Martin-Consuegra, and Esteban (2007) have made a study on "The impact of relational benefits on customer satisfaction in Spanish retail banking". It is an empirical study using a sample of customers regarding the relationship between relational benefits and customer satisfaction. Their study shows that confidence benefits have a direct, positive effect on the satisfaction level of customers with their bank

Praveeth (2007) in his study the "Perceptions of customers on retail banking" points out that the customers of both public and private sector banks are satisfied on many factors but are dissatisfied on areas like holiday period granted by banks and insurance coverage

Santi Gopal and Soma Dey (2007) in their study on "Retail banking in Indian scheduled commercial banks" bring to light that there is very high competition in Indian retail banking. Innovation in products, technological developments and strategies to capture the market share decide the success in retail banking. Quality of customer service is equally important. Thus retention of customers and attracting potential customers are the major challenges before banks.

Venkata Seshaiah and Vunyale Narender (2007) identify various factors affecting customer's choice in their study "Factors affecting customer's choice of retail banking". They probe into the psychology of the customer's loyalty. They identify different factors affecting the choice of banks through a survey. These factors are safety of deposits, size and strength, accuracy, general survey quality, speed of delivery, proximity, security of environment, cordiality of staff, price &

services charges, product packaging, general public impression, peer group impression, face lift, friendship with staff and advertising and publicity. They conclude that in order to achieve their corporate mission through customer orientation, retail banks must reorganize their activities.

Manoj Kamar Joshi (2008) in his article entitled "Customer service in retail banking in India" discusses the various service aspects of Indian banks in retail banking. He finds that through the use of modern technology, they provide high standard and quality customer service and this helps them to succeed in the competitive world of retail banking. While processing the loans, banks should provide comprehensive information with regard to the fees / charges levied from the borrowers. By standardising the procedures banks can prompt the customers to visit them hazzle free and by directing them to the right officials they can save their time and acquire their goodwill.

Al-Eisa and Alhemoud (2009) studied the most important attributes that influence customer satisfaction with retail banks in Kuwait. They also measured the level of overall satisfaction of the customers of the sample banks. The multipleattribute approach was applied in the analysis of data. A convenient sample was selected from customers of retail banks in Kuwait. They observe that the most important factors for predicting customer satisfaction with retail banks in Kuwait are fast service, availability of self-banking services and courtesy and helpfulness of employees

Herington and Weaven (2009) analysed the factors affecting customer satisfaction for e-retail banking in Australia. A survey was conducted among the regular users of online banking by selecting a convenience sample. The factors for customer satisfaction were ascertained by factor analysis and regression analysis. He identifies that personal need of the customer, website organization, user-friendliness of the websites and efficiency as important factors contributing to the satisfaction of customers.

Kanning and Bergmann (2009) studied the "Factors affecting customer satisfaction in the German retail banking sector". By applying the field study method, they identified the factors affecting customer satisfaction. They identify Performance of banks and fulfilment of customer expectations as the major factors which affect customer satisfaction

Pankaj Kumar (2009) in his article "Customer relationship management in retail banking" highlights that Customer relationship management is especially useful for large banks like SBI which are spread across different locations. For CRM to be truly effective, it requires a well thought out initiative involving strategy, people, technology and process.

Uppal (2009) in his article "Retail banking strategies in the liberalized globalised era" views that Indian banks must give more attention to the retail banking activities. Banks have to expand the product line, identify new delivery channels, develop better marketing systems and strategies and service quality so that satisfaction of the customers can be enhanced.

Aparna Mishra and Kamini Tandon (2011) who studied "Customer centric approach towards retail banking services" find that the important factor affecting customer satisfaction in retail banking is service quality. The customer retention can be ensured only through the quality of service provided by the banks.

Dhara Kothari (2011) views that retail banking offers vast opportunities for growth and at the same time has challenges which are discouraging. The success of retail banking depends on the ability of banks to make use of these challenges and opportunities profitably. The efficiency of operations and use of technology would provide the competitive strength for success in retail banking.

Ganguli and Roy (2011) also studied the "Factors affecting customer satisfaction in the Indian retail banking sector". The factors affecting customer satisfaction were identified through factor analysis. Their study also shows that the important factors affecting customer satisfaction are customer service and technology usage, easiness and reliability.

Mukhopadhy (2011) opines that retail banking in India has been fast emerging as one of the major drivers of the overall banking industry. Retail banking has shown much growth in the recent past. The strategies adopted by banks in retail banking are changing fast as the banks are following a combination of organic growth, acquisition and alliance.

Nishith, Enid and Devaraj (2011) in their article "Retail banking the new buzzword of today's banking" subscribe to the view that the retail banking has challenges along with the vast opportunities. The ability of banks to effectively meet the challenges of retail banking and use the opportunities profitably will determine the growth of banking. The efficiency of operations and adoption of technologies help banks to compete with other players in retail banking business.

Paritosh and Kavita (2012) in their research paper on "The impact of customer satisfaction on retail banking" conclude that the ATM, internet and branch office are the popular channels used by retail banking customers. The financial crisis has not affected the trust and relationship of customers with their retail banks.

Raghuwanshi (2012) in his article states that the Indian retail banking has wide opportunities and challenges. The retail portfolio of banks is subject to frequent change. Banks should constantly innovate in retail banking through product diversification, technology up-gradation, cross selling etc.

Revathy (2012) in her article views that retail banking has greater scope of generating profit than the traditional banking. Banks have identified this and are adopting a different approach in designing the retail banking products and services to hold the market share

Ashok Kumar (2013) in his study "Opportunities and challenges in the Indian retail banking industry" concludes that for the development of retail banking in India, a paradigm shift is required in bank financing through innovative products and mechanisms involving constant up-gradation of the banks internal systems and processes. Banks require product development and differentiation, innovation and business process reengineering, micro-planning, marketing, prudent pricing, customisation, technology up-gradation, electronic or mobile banking, cost reduction and cross-selling for their development through retail lending. He says that retail banking has more scope for generating profit than any other traditional methods.

Madhvi (2013) is of the opinion that retail banking is the most tremendous area to be looked after by the banks. The rising population of higher income earning middle class, who are ready to take risk, has increased the scope of retail banking. So banks should concentrate on this elite group of customers through product innovation and offer them quality service in time.

Mittal and Pachauri (2013) in their study on promotional tools and techniques adopted for retail banking compared the public sector banks and private sector banks. Their finding is that the perception of customers with regard to the type of promotional tools and the techniques adopted significantly vary between public sector and private sector banks

Gokilamani, and Natarajan (2014) in their study opine that customers of Indian commercial banks are positively responding to retail banking. It is important for banks to focus on service

quality for strengthening their competitive edge and to allocate the limited resources to serve the personal banking division. They further views that the success of a retail bank will depend on product innovation, technological developments and strategies to retain the retail customers.

2.4 DEFINITION OF TERMS

- LOAN PORTFOLIOS

They are the major asset of banks, thrifts, and other lending institutions. The value of a loan portfolio depends not only on the interest rates earned on the loans, but also on the quality or likelihood that interest and principal will be paid

- MARKET EFFICIENCY

This refers to the degree to which stock prices and other securities prices reflect all available, relevant information.

- MULTIPLE BANKING

This is a banking arrangement where a borrower avails of finance independently from more than one bank. Thus, there is no contractual relationship between various bankers of such borrower.

- CUSTOMER PREFERENCES

They are expectations, likes, dislikes, motivations and inclinations that drive customer purchasing decisions. They complement customer needs in explaining customer behavior

- EFFECTIVENESS

This is the degree to which objectives are achieved and the extent to which targeted problems are solved.

- SERVICE PORTFOLIO

This is the core repository for all information for all services in an organization. Each service is listed along with its current status and history. The main descriptor in the Service Portfolios the Service Design Package (SDP)

- NORMATIVE EXPECTATIONS

They are conceptually close to, but not the same as, beliefs and have been defined as both the anticipation of future outcomes (predictive expectation) and the desire for the occurrence of future outcomes (normative expectation)

- CUSTOMER RETENTION

This refers to the ability of a company or product to retain its customers over some specified period. High customer retention means customers of the product or business tend to return to, continue to buy or in some other way not defect to another product or business, or to non-use entirely.

- CUSTOMER ACQUISITION

Acquiring new customers involves persuading consumers to purchase a company's products and/or services

- CUSTOMER ACQUISITION MANAGEMENT

This refers to the set of methodologies and systems for managing customer prospects and inquiries that are generated by a variety of marketing

- CROSS-SELLING

This is the action or practice of selling an additional product or service to an existing customer. In practice, businesses define cross-selling in many different ways.

- SERVQUAL

This is a multi-dimensional research instrument, designed to capture consumer expectations and

perceptions of a service along the five dimensions that are believed to represent service quality.

CHAPTER III

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter elucidate research methodology and its application in seeking answers to the research questions. Research methodology represents the strategies involves in data collection and analyzing of data.

Most citizens (Ghanaians) are not abreast with Retail banking though they have been transacting with them.

Retail banking is very important to Ghana's development because it serves as the consumer's bank and provides services to everybody. This chapter attempts to give an insight into the way and manner in which this research is carried out. The researcher will adopt a case study as the type of research design for the study, in which simple random sampling survey technique with questionnaire will be used to investigate how important these retail banks are in the development of the nation. The primary data will be collected using set of questionnaires will be filled by customers of the various retail banks. A secondary data will also be drawn from existing relational literature, articles, journals, and information from the internet. The questionnaire will provide good insight that is relevant to the research

3.2 STUDY TYPE

The type of this study is purely quantitative. Is quantitative in the sense that the questionnaires will be answered by selecting numbers which are being attached to each question. The questionnaires are created by this group and they are in relation to the objectives said in chapter I.

Participants are going to answer each questions by selecting the numbers which best suit his or her view concerning the particular question. There are twenty (25) questions in all and participants are required to answer all.

3.3 TARGET POPULATION

Target population refers to the entire group of individuals or objects to which researchers are interested in generating their conclusion. This section involves description of population of consumers of the various retail banks that have been selected for the purpose of the study. It also describes the population from which the sample of banks has been derived. The target population usually has varying characteristics and it's also known as the theoretical population.

With this project, our target was in Adum, a suburb of Kumasi where trading and transactions take place day in, day out. Out of the various banks that we chose for the research, we were able to get a population of about twenty-five (25) staff from the various retail banks and other

seventy-five (75) who happens to be customers of the various banks, which makes a total of one hundred (100) participants for this questionnaires.

3.4 SAMPLING TECHNIQUE

A sample is a proportion of the target population that is the representative of the whole population from which it is drawn in order to generalize the research findings. Sampling which is the process of choosing a representative portion of the entire population is an integral part of research methodology. It involves selecting a group of people, events, behaviors or other elements with which to conduct a study. It could be referred to the subset of a population that is selected for study. Sampling helps to reduce costs and time related to observing the entire population as is the case in census. In the conduct of this study, the questionnaire (survey) method was adopted. This method enables the collection of a large amount of data on the variables that were considered important to the research. There are two techniques used on nursing research

> ➢ Probability (random) sampling

> ➢ Non probability (nonrandom) sampling

Simple random sampling is being used to select the facilities and the respondents. We were able to get eighty-three (83) staff to respond fully to the questions. The purpose of the research was

explained to every respondent. They were also informed that participation was voluntary and that the result would be used for academic purposes. Respondents were assured that all responses would remain confidential. On the other hand, people who were unwilling to participate are not to be forced to partake in the survey, this is so because they will not give accurate answers concerning the questionnaires which might reduce the confidentiality of the study.

STAGES IN THE SELECTION OF A SAMPLE

> ➢ Define the target population

> ➢ Select a sample frame

> ➢ Determine if a probability or non-probability sample method will be chosen

> ➢ Plan a procedure for selecting sample unit.

> ➢ Select actual sampling units

> ➢ Conduct a field work.

3.5 STUDY SETTING

The study setting is often referred to as the environment to which the study is going to be conducted. Our setting is Adum because that is where most financial institutions are situated.

The study setting can be grouped into three. That is the field study, Lab experiment and field experiment but in our case we used the field study

3.6 DATA COLLECTION PROCEDURE

There are so many forms of collecting data. Data is a raw fact which has not been processed. The data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one test hypothesis and evaluate outcomes. The data for the present study had to be collected from customers of the banks operating in Adum (Kumasi) and also by means or the help of questionnaires.

Questionnaires were used because it was relatively more economical and convenient for the respondents to answer. The questionnaires helped us to get the opportunity to collect information that was not readily available, which tend to enrich the answers and that enhanced the eventual results of the study. For collecting data from the different banks, mutual convenience of researcher and bank official to be interviewed was taken into consideration. However, sometimes it was not possible to meet the official commitments. After several visits to these banks, it became possible to interview them and collect relevant data. Similarly, data from consumers were also collected by fixing a prior appointment with them.

3.7 DATA COLLECTION INSTRUMENTS

They are the tools for data collection. They include questionnaires, interview, observing and reading. The validity and reliability of any research project depends to a large extent on the appropriateness of instruments. With our project, we used the questionnaires as our data collection instruments. Questionnaires is an instrument comprising of a series of questions carefully formulated to be administered to a selected group of people for the purpose of gathering information. With questionnaires, respondents give answers according to their original ethics.

3.8 PROBLEMS FACED

Administering this questionnaire was not an easy task. We went through some troubles to make sure that accurate data was gathered from the right group of people within our targeted population. Most of the major issues we went through are as follows.

- We needed to advise participants on what retail banks was all about even though they always interact with them.

- People were busy to participate because of their busy schedule.

Others thought their response we went through are as follows.

- We needed to advise participants on what retail banks was all about even though they always interact with them.

- People were busy to participate because of their busy schedule.

- Others thought their response to the questionnaires were going to be used against them.

- Others were telling us to come later even though they knew they wouldn't participate.

- Others also misplaced the questionnaires.

- We also had difficulties to convince people to partake because it was for educational purpose.

CHAPTER IV

RESEARCH ANALYSIS

INTRODUCTION

The chapter four(IV) of this project talks about the data collected in chapter III. We analyze the responses to the questions and make a generalization out of them. International Business Management Statistical Package for Social Sciences (IBM SPSS) software is being used to analyze the response to the questions.

Data analysis helps retail banks to look at triggers that will affect credit exposures, determine what products and services to offer based on the triggers about the individual consumers and use next generation analytics to identify fraud.

The previous chapters reviewed the growth structure and the importance of retail banking in Ghana, a case study in Adum. This present chapter analyses the data and, with application of statistical tools, interprets the facts and figures to test the hypotheses in order to derive logical interference. This study bases itself in primary data collected using SPSS for ascertaining the importance of retail banking in Ghana. This shows how the data collected from the respondents will be presented in other to give meaning to the information retrieved from questionnaires.

Various methods such as tables, graphs, pie charts, histograms are going to be used to analyze the response to the various questions. Generalizations are going to be made using the "mean",

"standard deviation", "frequencies" and "percentages" that was derived from the IBM SPSS software. The mean and standard deviation will be used to make generalizations for some selected number of questions,

The mean and standard deviation are going to be used to make generalization for some selected number of questions, and the frequencies and percentages are also going to be used to do the same. When a particular question has the highest mean in the selected questions it means that the question is of more importance and more attention should be given to that question. However, if a question has the lowest mean, it shows that the question is of less importance.

On the other hand, a question is of more importance when it has the least standard deviation and is of less importance when it has the highest standard deviation. In a selected number of questions, the one with the highest percentage indicates that it is more relevant and the one with the lowest percentage shows that it is of less importance, same goes to the frequencies.

There are eighty-three (83) questionnaires in all, and they have been grouped into five (5) sections; SECTION A (major importance of retail banking), SECTION B (why clients prefer retail banks to other types of banks), SECTION C (reasons why people do not like retail banking), SECTION D (challenges in the retail banking industry) and SECTION E (ways by which retail banking can be improved). There are five (5) questions under each section which makes it twenty-five (25) questions in all, and with the help of IBM SPSS software each question is going to be carefully analyzed and conclusions are going to be drawn from them.

SECTION A: MAJOR IMPORTANCE OF RETAIL BANKING

Table 1

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
1.Retail banking increases profitability of banks	83	1	5	3.33	1.221
2.Retail banking has contributed to fighting against the menace of unemployment in the nation	83	1	5	3.45	1.232
3.Retail banking makes government fiscal policies more effective	83	1	5	3.23	.860
4.Retail banking helps to protect and maintain the nation's currency much better	83	1	5	2.98	1.047
5.Retail banking enable people to have exceptional financial management	83	1	5	3.28	1.172
Valid N (listwise)	83				

The diagram above represents the section A (question 1 to 5) of the questionnaires. All the questions in section A (question 1 - 5) were used to generate the descriptive statistics above. As shown in the diagram, the highest mean is 3.45 which represents the question "Retail banking has contributed to fighting against the menace of unemployment in the nation". This means that people really had interest in that part of the questions. This means that more attention is supposed to given to that particular question. The second highest mean according to the diagram

above is 3.33 which also represents the question "Retail banking increases profitability of banks", followed by 3.28 which represents the question "Retail banking enable people to have exceptional financial management", 3.23 which represents "Retail banking makes government fiscal policies more effective" and 2.98 which represents "Retail banking helps to protect and maintain the nation's currency much better".

The standard deviation is our second measure of importance, the variable with the least standard deviation is the most relevant one. According to figure 2.0, the least standard deviation is 0.860 which represent the question "Retail banking makes government fiscal policies more effective", that means that the question is very relevant and should be given much attention. The second least standard deviation is 1.047 which represent "Retail banking helps to protect and maintain the nation's currency much better", followed by 1.172 which represent "Retail banking enable people to have exceptional financial management", followed by 1.221 Which represents "Retail banking increases profitability of banks" and 1.232 which also represents the question "Retail banking has contributed to fighting against the menace of unemployment in the nation"

The question with the highest mean shows that the question is of more importance and the one with the least mean indicates that it is of less importance.

On the other hand, the question with the least standard deviation indicates high relevance while the one with high standard deviation indicates less importance. But it is realized that the question "Retail banking has contributed to fighting against the menace of unemployment in the nation" has the highest mean (3.45) and also has the highest standard deviation (1.232), which means that more work has to be done by retail banks when it comes to employment.

SECTION B: WHY CLIENTS PREFER RETAIL BANKS TO OTHER TYPES OF BANKS

6. THE PERSONNEL IN RETAIL BANKS ARE COMPARATIVELY BETTER THAN THOSE IN OTHER TYPES OF BANKS.

Figure 2

The personnel in retail banks are comparatively better than those in other types of banks.
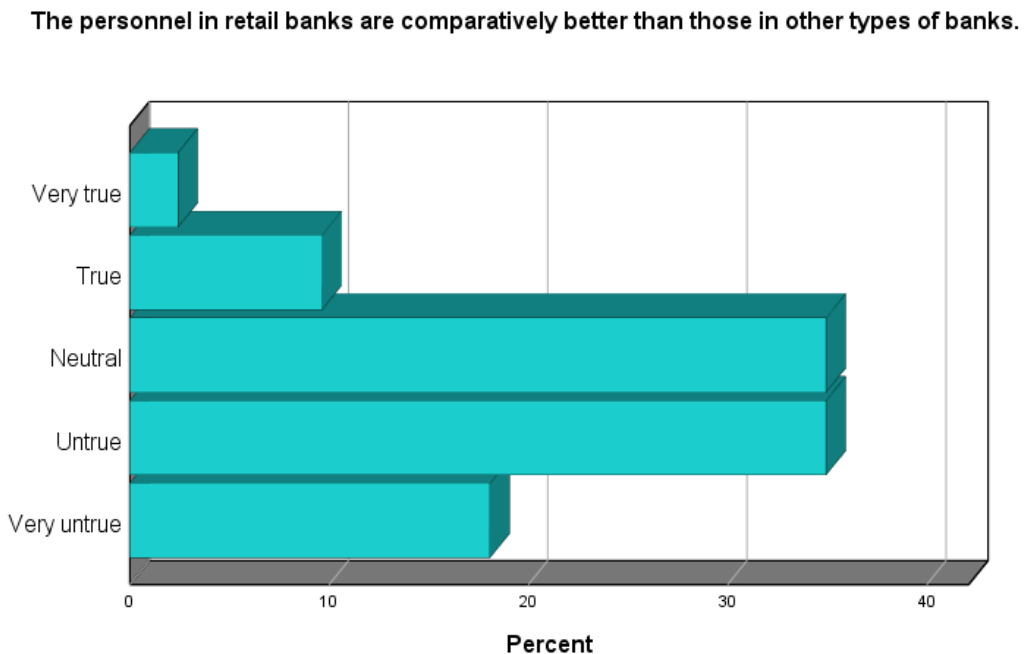
Figure 3.0 represents a graph of question 6 in the section B of the questionnaires. The graph therefore represents the question "The personnel in retail banks are comparatively better than those in other types of banks". Responses to the question are being represented in percentage forms. Variables to this response are "true, very true, neutral, untrue, very untrue".

As shown in the diagram above, 2.4% answered "Very True", 9.6% answered "True", 34.9% answered "Neutral", 34.9% answered "Untrue" and 18.1% answered "Very Untrue". This shows that greater percentage (34.9%) of people did not support the idea that personnel working in the retail banks are comparatively better than the personnel in the other types of banks. Those who chose neutral indicates that either they do not understand the question or perhaps they have not compared both parties to know which ones are comparatively better.

7. IT IS EASY ACCESSING THE SERVICE OF RETAIL BANKS AS COMPARED TO

OTHER TYPES OF BANKS.

Figure 3

It is easy accessing the service of retail banks as compared to other types of banks.
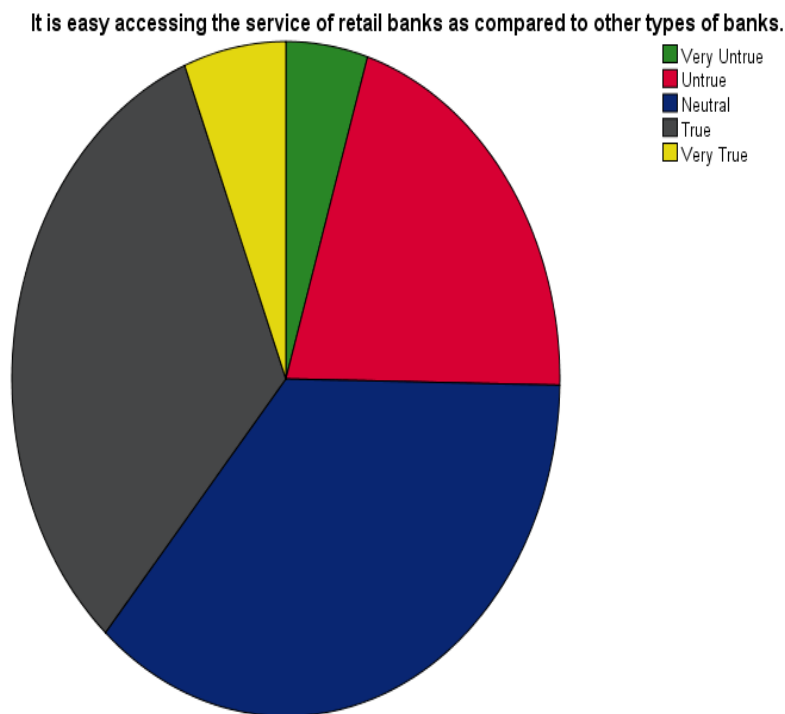
Figure 4.0 represents the question "It is easy accessing the service of retail banks as compared to

other types of banks" of Section B of the questionnaire in a form of a pie chart. The pie chart has

been divided using the percentage of the answers chosen by the respondents. The variables of the

responses are "true, very true, neutral, untrue, very untrue".

The pie chart above indicates that 4.8% chose "Very Untrue", 20.5% chose "Untrue", 36.1% answered "Neutral", 32.5% answered "True" and 6.0% answered Very True. Once again "Neutral" has the greater percentage. Even though majority of the respondents answered "Neutral", which indicates that they are neither in support nor against the research question "it is easy accessing the service of retail banks as compared to other types of banks", quite a number of the total respondents also answered "True". This tells us and makes it clear that the services of retail banks are indeed easily accessible by all kinds and manner of people as compared to other types of banks.

SECTION B: (QUESTION 8 TO 10)

Table 2

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
8. Service charges are more affordable as compared to other types of banks.	83	1	5	3.30	1.033
9. There is greater accountability and integrity in retail banks more than other types of banks.	83	1	5	3.10	1.151
10. Transactions at retail banks are confidential and secured more than other banks.	83	1	5	3.11	1.104
Valid N (listwise)	83				

Questions 8 to 10 of the Section B is being represented in the diagram above (figure 5.0), as said earlier, the question with the highest mean shows that the question is more important and more attention should be given to it and the question with the least mean indicates that it is of less importance, this does not mean that nothing should be done about that question, rather, it means that it requires little attention as compared to the other questions. In figure 4.0, the highest mean is 3.30 which symbolizes the question "Service charges are more affordable as compared to other

types of banks", followed by 3.11 which represents the question "Transactions at retail banks are confidential and secured more than other banks" and 3.07 which represents "There is greater accountability and integrity in retail banks more than other types of banks". This indicates that "Service charges are more affordable as compared to other types of banks" is very relevant and much attention should be given.

On the other hand, the least standard deviation 1.033 which represents "Service charges are more affordable as compared to other types of banks", followed by 1.104 which represents "Transactions at retail banks are confidential and secured more than other banks" and the highest standard deviation 1.116 which represents the question "There is greater accountability and integrity in retail banks more than other types of banks". This clearly indicates that services charged in retail banks are affordable as compared to other types of banks. This is because the question "Service charges are more affordable as compared to other types of banks" has the highest mean and the least standard deviation at same time.

SECTION C: REASONS WHY PEOPLE DO NOT LIKE RETAIL BANKING

Table 3

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
11.Retail banking is costly and time consuming	83	1	5	2.45	1.015
12.Monitoring and follow up of loan account in retail banks is more difficult.	83	1	5	2.98	1.147
13.It is difficult to exploit investment in retail banks at full length	83	1	5	2.77	1.108
14.Retail banking requires high technological know-how.	83	1	5	2.92	1.118
15.Retail banking is presumed to be for the middle and low class when it comes to social and economic status.	83	1	5	3.23	1.213
Valid N (listwise)	83				

The table above (figure 6.0) is the Section C of the questionnaires and it indicates questions 11 to 15. The mean and standard deviation is derived from these questions to assess their level of importance. The questions with the least level of importance are not just going to be ignored, we will be looking into them but much attention will be given to those with the highest mean and the least standard deviation.

The highest mean 3.23 which denotes "Retail banking is presumed to be for the middle and low class when it comes to social and economic status", the second highest mean 2.98 which represents "Monitoring and follow up of loan account in retail banks is more difficult", followed by 2.92 which represents "Retail banking requires high technological know-how", also followed by 2.77 which represents "It is difficult to exploit investment in retail banks at full length", followed by the least mean which is 2.45 and represents the question "Retail banking is costly and time consuming".

This clearly indicates that the question "Retail banking is presumed to be for the middle and low class when it comes to social and economic status" has the highest mean and because of that it requires much attention.

The standard deviation is the directs opposite of the mean, thus, the higher the standard deviation the less important the question is and the lower the standard deviation the more important the question is.

According to figure 6.0, the least standard deviation is 1.015 which represents the question "Retail banking is costly and time consuming", the second least standard deviation is 1.108 which represents the question "It is difficult to exploit investment in retail banks at full length", followed by 1.118 which represent the question "Retail banking requires high technological know-how", also followed by 1.147 which signifies the question "Monitoring and follow up of

loan account in retail banks is more difficult" and the highest standard deviation which is 1.213 which represents the question "Retail banking is presumed to be for the middle and low class when it comes to social and economic status".

This tells us that the question "Retail banking is presumed to be for the middle and low class when it comes to social and economic status" has the highest mean (3.23) and also had the highest mean (1.213) at the same time. This shows that more work has to be done on this perception that people have about retail banks. Retail banks need to start influencing people that retail banks are for all kind and manner persons and not only for middle and low class individuals.

SECTION D: CHALLENGES IN THE RETAIL BANKING INDUSTRY

16. THERE IS HIGH AND INCREASING COMPETITION AMONG RETAIL BANKS

Figure 4

There is high and increasing competition among retail banks.
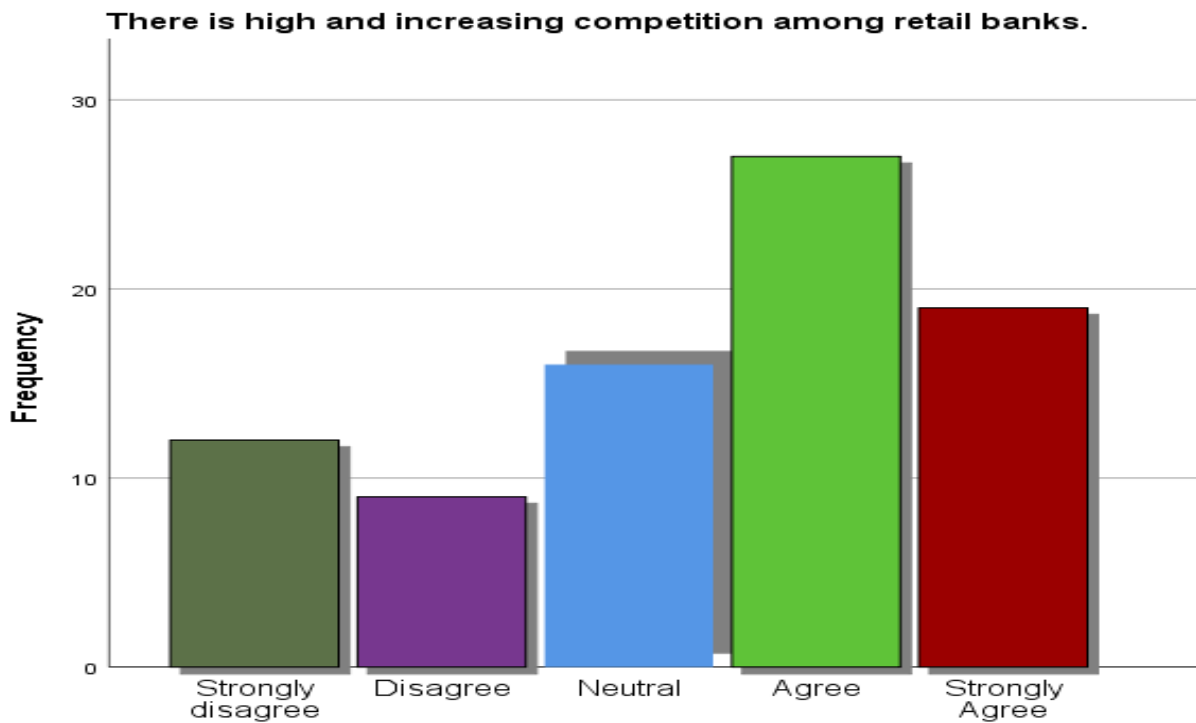
The figure 7.0 represents question 16 (there is high and increasing competition among retail banks) of the Section D part of the questionnaires. The responses to the questionnaires has been analyzed in the form of graph using the frequencies of the responses. The variables to the responses are "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree".

"Strongly disagree" has a frequency of 12 which represent 14.5%, "Disagree" has a frequency of 9 which represents 10.8%, "Neutral" also has a frequency of 16 which represents 19.3%, "Agree" has a frequency of 27 which represents 32.5%, lastly "Strongly Agree" has a frequency of 19 which also represents 22.9%. from the graph above, it is clearly indicated that "Agree" has the highest frequency (27) and percentage (32.5) followed by "Strongly Agree". This indicates that most people agreed to the question "there is high and increasing competition among retail banks". The analysis above verifies that there is indeed high and increasing competition among retail banks

17. DIFFICULTIES IN IDENTIFYING AND MEETING CUSTOMERS INTERESTS INDIVIDUALLY

Figure 5

Difficulties in identifying and meeting customers interests individually
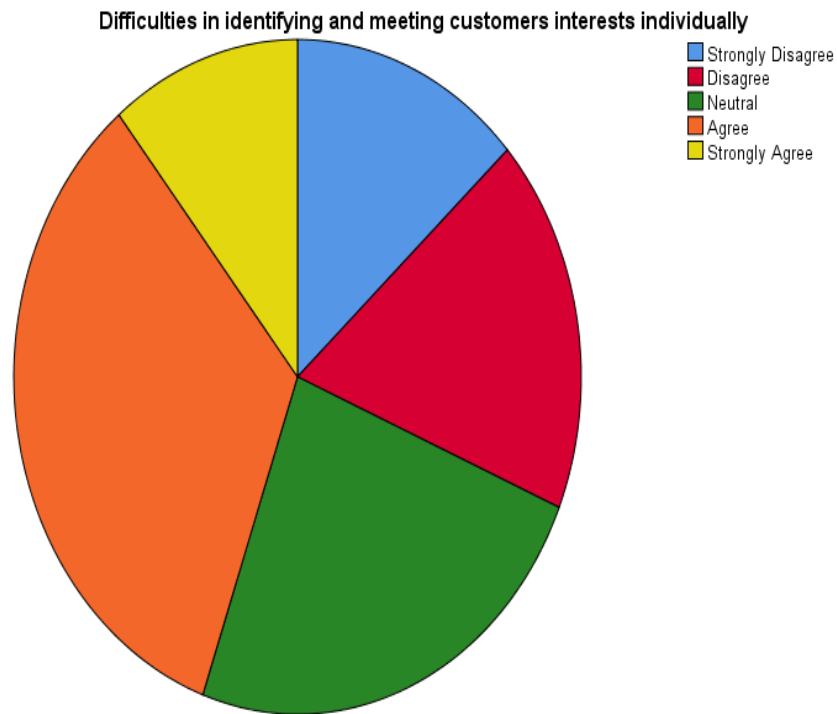
This pie chart is also used to analyze the question 17 (difficulties in identifying and meeting customer's interests individually) of Section D of the questionnaires. The variables "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree" are again going to be used to draw conclusions from the pie chart

In order to carefully analyze this pie chart, a key has been provided in the top right corner of the figure 8.0 in the form of colors to make the analyses of the pie chart less difficult. "Strongly disagree" has a frequency of 11 which represent 13.3%, "Disagree" has a frequency of 15 which represents 18.1%, "Neutral" also has a frequency of 20 which represents 24.1%, "Agree" has a frequency of 28 which represents 33.7%, lastly "Strongly Agree" has a frequency of 9 which also represents 10.8%.

In figure 8.0 and the analyses made above, it clearly indicates that, "Agree" has the highest frequency (28) and the highest percentage (33.7), this means that most peoples agreed to the question "difficulties in identifying and meeting customer's interests individually". This tells us that retail banks are truly having troubles in meeting the customer`s interests individually.

18. THERE IS MUCH PRESSURE FROM REGULATORY BODIES ON RETAIL BANKS.

Figure 6 51

There is much pressure from regulatory bodies on retail banks.
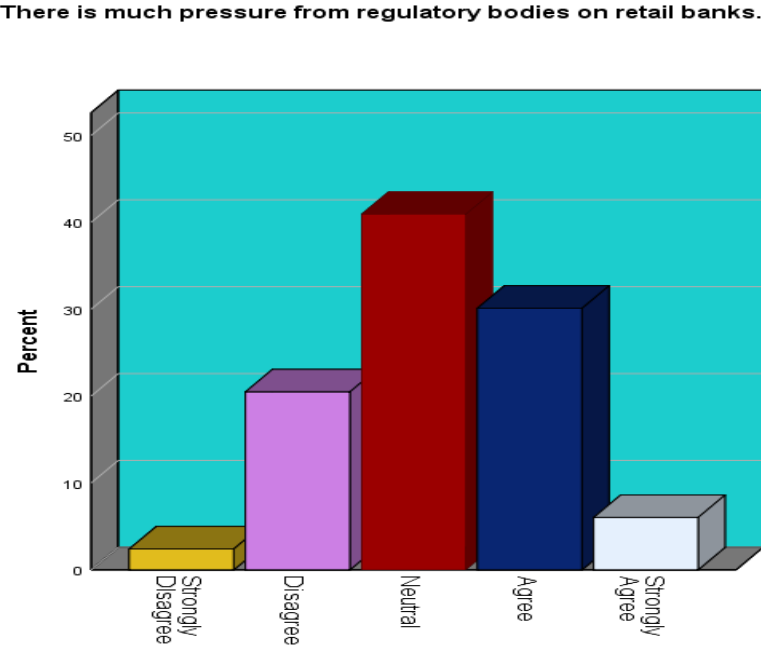
Figure 8.0 represents question 18 (there is much pressure from regulatory bodies on retail banks) of Section D of the questionnaires. In this case, we are going to analyze this question using a percentage graph as shown in figure 9.0. variables such as "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree" will be used to make the work less difficult.

According to the percentage graph above, "Strongly Disagree" has a percentage of 2.4%, "Disagree" has a percentage of 20.5%, "Neutral" also has a percentage of 41.0%, "Agree" has a percentage of 30.1%, "Strongly Agree" also has a percentage of 6.0%

The highest percentage is 41.0%, representing "Neutral" and followed by "Agree" which also has the percentage 30.1%. this shows that a number of people answered "Neutral" to the question (there is much pressure from regulatory bodies on retail banks). This means that people do not know where there is pressure from regulatory bodies on retail banks, this might be true because most customers only transact business with retail banks and that will be all, they don't really find out more information about the bank so they wouldn't know if the is some pressure from regulatory bodies on them.

19. THERE IS INADEQUATE COMPETENT PERSONNEL TO BE HIRED BY RETAIL BANKS

Figure 7

There is inadequate competent personnel to be hired by retail banks
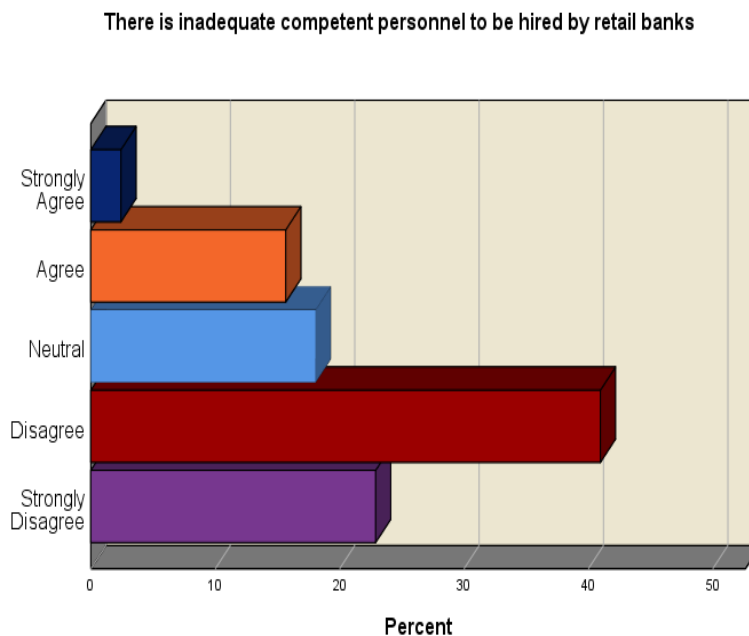
The figure 10.0 represents question 19 (there is inadequate competent personnel to be hired by retail banks) of the Section D part of the questionnaires. The reactions to the questionnaires has been analyzed in the form of graph using the frequencies of the responses. The variables to the responses are "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree".

As shown in figure 10.0 "Strongly disagree" has a frequency of 19 which represent 22.9%, "Disagree" has a frequency of 34 which represents 41.0%, "Neutral" also has a frequency of 15 which represents 18.1, "Agree" has a frequency of 13 which represents 15.7%, lastly "Strongly Agree" has a frequency of 2 which also represents 2.4%. from the graph above, it is clearly indicated that "Disagree" has the highest frequency (34) and percentage (41.0%) followed by "Strongly Disagree". This indicates that most people Disagreed to the question "there is inadequate competent personnel to be hired by retail banks". This clearly indicates that the assumption that there is inadequate competent personnel to be hired by retail banks is not true, thus there are always competent personnel to ready to work in retail banks.

20. EMPLOYEES ENGAGEMENT AND RETENTION POSES TREAT TO THE

OPERATIONS OF RETAIL BANKS.

Figure 8

Employees engagement and retention poses treat to the operations of retail banks.
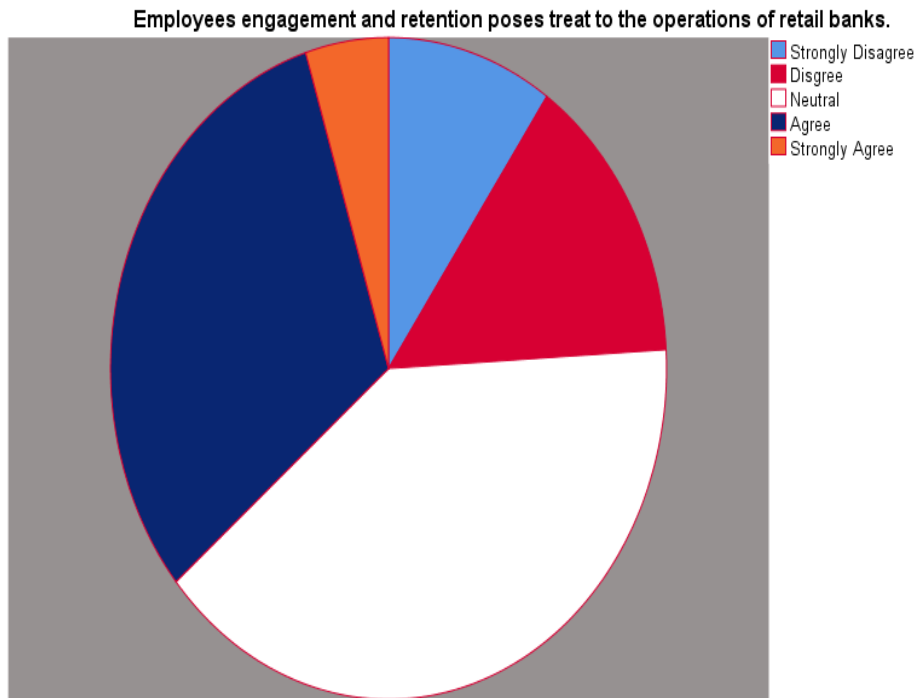
This pie chart is also used to analyze the question 20 (employees' engagement and retention poses treat to the operations of retail banks) of Section D of the questionnaires. The variables "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree" are again going to be used to draw conclusions from pie chart

In order to carefully analyze this pie chart, a key has been provided in the top right corner of the figure 11.0 in the form of colors to help us understand this pie chart. The pie chart is figure 11.0 shows that "Strongly disagree" has a frequency of 8 which represent 9.6%, "Disagree" has a

frequency of 12 which represents 14.5%, "Neutral" also has a frequency of 33 which represents 39.8%, "Agree" has a frequency of 26 which represents 31.3%, lastly "Strongly Agree" has a frequency of 4 which also represents 4.8%.

In figure 11.0 and the analyses made above, it clearly indicates that, "Neutral" has the highest frequency (33) and the highest percentage (39.8%), this means that most peoples answered "Neutral" to the question "difficulties in identifying and meeting customer's interests individually". This means that participants did not know how well employee's engagement and retention poses treat to the operations of retail banks and because of that, they decided to choose "Neutral", this also indicates that more work has to be done on educating our retail customers.

SECTION E: WAYS BY WHICH RETAIL BANKING CAN BE IMPROVED

Table 4

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
21.Government must own greater share in all retail banks.	83	1	5	2.47	1.141
22.There must be deliberate education of people on retail banking	83	1	5	3.55	1.281
23.Retail banks must focus on customer relationship more than promoting sales.	83	1	5	3.55	1.171
24.Retail banks must focus on maximizing sales rather than building customer relationship	83	1	5	2.72	1.151
25.Every activity of retail banks must be subjected to public scrutiny.	83	1	5	3.58	1.180
Valid N (list wise)	83				

Figure 12.0 represents the last section of the questionnaires (Section E: Ways by Which Retail

Banking Can Be Improved). It analyses questions 21 to 25, this analyses is going to be made

based on the mean and standard deviation.

As said earlier, the question with the highest mean shows that it is of more importance and the

question with the lowest mean also shows that it is if less importance, on the hand, the question

with the least standard deviation represents high importance and thus require more attention and

the question with the highest standard shows that it is of less importance. According to the figure above (figure 12.0), the least standard deviation is 1.141 which represents the question "Government must own greater share in all retail banks." Followed by 1.151 which represents "Retail banks must focus on maximizing sales rather than building customer relationship".

On the other hand, the highest mean is 3.58 which represents the question "Every activity of retail banks must be subjected to public scrutiny", which clearly states that participants really had interest in that question. This tell us that retail banks must subject all their activities to public scrutiny for their customers to know how their retail banks are performing.

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 INTRODUCTION

The chapter five of this research study deals with the conclusions and recommendation of the research project. This chapter summarizes the findings made from the research topic; Assessing the importance of retail banks to the development of Ghana, a case study in Adum. This chapter therefore talks about the summaries and observations made from all the previous chapters (chapter I - V) including the survey. This chapter also presents recommendations and suggestions for other scholars who wants to pursue this research topic in the near future. All the conclusions drawn from the previous chapters will be made known in this chapter (chapter V)

5.2 SUMMARY OF FINDINGS

Upon the careful deliberation and analyses of the data gathered from the field and previous chapters relating to the topic (Assessing the importance of retail banks to the development of Ghana), the following findings were made.

Retail banking is of fundamental importance to the customer and business and to the economy as a whole. Retail banking encompasses the services offered to consumers by commercial banks. Most commercial banks have extensive retail banking services and products to reach wider customers.

Retail banking provides financial services for individuals and businesses. The three most importance functions are credit, deposit, money management. These banks offer mortgage loans, auto loans and credit cards to individuals to cater for their houses, vehicle and other needs.

Retail banks provide a safe place where individuals and business can keep their monies and gain some amount of interest. It also offers small scale loans for entrepreneurs who need capital to start their business.

Table 5

Objectives	Findings
Challenges faces by retail banks	- There is high and increasingly competition among retail banks - Difficulties in identifying and meeting customers interests individually
Ways of improving retail banks	- There must be deliberate education of people on retail banking - Retail banks must focus on customer relationship more than promoting sales. - Every activity of retail banks must be subjected to public scrutiny
The major importance of retail banking	- Retail banks increases the bank's profitability - Retail banks helps to fight against unemployment in the economy
Why people prefer other types of banking to retail banking	- Retail banking is presumed to be for the middle and low class when it comes to social and economic status - It requires high technological know how
Why people prefer retail banking to other types of banking	- There is high accountability - Services charges are more affordable - Wide range of products and services

The table above (figure 13.0) shows the summary of the results obtained from the survey made in the previous chapter (chapter IV).

5.3 CONCLUSION

Based on the findings of this study on the topic "Assessing the importance of retail banks to the development of Ghana", it can therefore be concluded that retail banking deals with lending money to customers which include wide variety of loans including credit cards, mortgage loans and auto loans. Retail banking refers to the aspect of banking which provide direct services to the customers rather corporations or entities. It is generally conceived to be the provision of mass market banking services to the individuals.

Retail banking is the fastest growing sector of the banking industry and with the key success by attending directly to the needs of the end consumer. The most important factor that has contributed to the success of retail banking is service quality they provide. In the present study, the focus is on the dimension of service quality in retail banking industry which has been tested by using both traditional and modifying SERVQUAL approach.

The following are conclusions made from the survey conducted in chapter III on the research topic (Assessing the importance of retail banks to the development of Ghana)

- It has been noted that there is high and increasing number of retail banks in the banking sector recently

- It was again realized that there are difficulties in identifying and meeting customer's interests individually

- Another point noted in this study is Retail banks increases the bank's profitability

- Retail banks helps to fight against unemployment in the economy

- Retail banks has wide range of products and services to cater for the need of all kinds of people.

5.4 RECOMMENDATION

RECOMMENDATION FOR FURTHER STUDIES.

This research was able to tell us a lot about the research topic (Assessing the importance of retail banks to the development of Ghana). However, a lot of research still needs to be done on retail banking. We therefore recommend the following areas for researchers who wish to pursue this topic in the near future

- Service quality in retail banking

- Customer service in retail banking and its importance in the banking sector

- Differentiate the performance of public sector banking from the performance of private sector banking

- Loan processing in the retail banking sector

The following recommendation will be directed to the various retail banks across the country. Any retail bank that take these recommendations into consideration will not only increase their sales and profit but also play a great role in developing this economy.

- The idea that retail banks is for the middle and low class people in the society must be changed. Customers of the various banks must be made aware that there are varieties of products and services available for all kinds of people from all economic and social status

- There must be deliberate education of customers of the various banks. Most customers of the various only make use of the retail banks by making deposit and withdrawals. Most of the customers have no idea about mortgage loans, auto loans and other products. If the retail banks are able to educate the customers and the public about the other products which are not known to them, it will enable them to purchase them and make use of them to increase the banks' profitability.

- Retail banks must focus on the customer relationship rather than increasing profit. Customers are the base of every business, retail banks must be willing to build strong customer relationships with their customers. Calling customers to check up on them and their businesses, calling to inform them about new products and services, and giving advise as to how to manage their finances will make the customers feel that they are not only doing business with the bank but also the bank care for them. This strategy will help

the bank to gain more customer thereby increasing their sales and profit in a different way.

- Every activities of retail banks must be subjected to public scrutiny. Retail banks must be willing to let the public know how good they are doing; this allows the customers to trust in the works of the bank. This goes a long way to increase the reputation of the bank.

REFERENCES

Al-Eisa, S. A. and Alhemoud, A.M. (2009). Using a Multiple-Attribute Approach for Measuring Customer Satisfaction with Retail Banking Services in Kuwait. *International Journal of Bank Marketing*, *27* (4), 294-314.

Amit, S. and Anwar, A. (2006). Competing in the Age of Information Technology in a Developing Economy: Experiences of an Indian Bank. *Journal of Cases on Information Technology,* 8 (2), 62-81.

Aparna, M., Kamini, T. (2011). A Customer Centric Approach Towards Retail Banking Services: A Glimpse*. ZENITH International Journal of Multidisciplinary   Research*, 1 (4), 184-194.

Arun, K. (2006*). Retail Banking-Its Socio-Economic Impact.* M Phil Dissertation, Kerala University.

Ashok, Kumar. (2013). Opportunities and challenges in the Indian Retail Banking Industry. *ACME International Journal of Multidisciplinary Research,* I (1), 82-87.

Assessment of Some of the Key Antecedents of Customer Satisfaction in Retail

Banking. *International Journal of Bank Marketing*, 20 (4), 146-160.

Bhayani, S. J. (2005). Retail Banking Awareness: An Empirical Analysis. *Indian journal of Marketing,* XXXV (9), 27-38.

Deepal S. (2006). Consumer Behaviour and Banking of Retail Products. *Indian Journal of Marketing,* 36.

Devlin, J. F. (1995). Technology and Innovation in Retail Banking

Dhandapani, A. (2007). Retail Banking Challenges. ICFAI University Press, Hyderabad. 25-35.

Dinesh, B. R. (2012). Retail Banking in India Challenges and Opportunities. *International Referred Research Journal,* 3 (36), 23-25.

Distribution. *The International Journal of Bank marketing*, 13 (4), 19-25.

Filomina, P. G. (2004 Oct.14). *The New Indian Express.* Kochi

Gilotra, A. (2003). Retail Banking: Lending. *IBA Bulletin*, 25 (11), 22-25.

Gokilamani, N. and Natarajan, C. (2014). Service Performance in The Retail Banking of The Commercial Banks in Coimbatore District: An Empirical Assessment, *Research Explorer,* 3 (8), 27-31.

Groenevald, J.M. and Wagemaker, J.M. (2004). Retail Banking Strategies in Europe. *International Journal of Europe,* 61-77.

Herington, C. and Weaven, S. (2009). E-Retailing by Banks: E-Service Quality and Its Importance to Customer Satisfaction. *European Journal of Marketing*, *43* (9), 1220-1231

Jamal, A. and Naser, K. (2002). Customer Satisfaction and Retail Banking: An

Kothari, D. (2011). *Retail* Banking. *The Week Mid-Year special*, 142-145.

Kumar, R. (2003). Retail Banking: Growth Drivers and Analysis of Associated Risks. *IBA Bulletin*, 25 (11), 9-17.

Laxman, G. (2006). Retail Banking, Small and Beautiful Dimensions. *Southern Economist*, 45 (4), 13-15.

Madhvi, J. (2013). Retail Banking Issues and Concerns in India. *International Journal of Data and Network Security,* 2 (1), 104-111.

Manoj K, J. (2007).Growth of retail banking in India. ICFAI University Press, Hyderabad, 13-25

Matthew 25:14-27 English Standard Version (ESV). The Parable of the Talents.

Mittal, S.,Pachauri, K.K. (2013). A Comparative Analysis of Promotional Tools and Techniques Adopted For Retail Banking in Public Sector and Private Sector Banks. *Journal of Business Management & Social Sciences Research*, 2 (2), 83-88.

Mohammed, H. and Shirley, L. (2009). Customer Perception on Service Quality in Retail Banking In Middle East: The Case of Qatar. *International Journal of Islamic and Middle Eastern Finance and Management*, 2 (4), 338350.

Molina, A., Martin-Consuegra, D. and Esteban, A. (2007). Relational Benefits and Customer Satisfaction in Retail Banking. *International Journal of Bank Marketing*, *25* (4), 253-271.

Ndubisi, N. O.and Wah, C. K. (2005). Factorial and Discriminant Analysis of the Underpinnings of Relationship Marketing and Customer Satisfaction. *International Journal of Bank Marketing*, *23* (7), 542-557.

Neetu, P. (2006). Retail Banking in India. ICFAI University Press, Hyderabad.   3-13.

Nishith, N., Enid, M. And Devaraj, B. (2011). Retail Banking: The New Buzzword of Today's Banking. *Journal on Banking, Financial Service and Insurance   Research,* 1 (8), 130-139.

Pankaj, Kumar. (2009). Customer Relationship Management in Retail Banking. *Bank Quest,* 80 (4), 41-48.

Paritosh, Awasthi. And Kavita, Dive. (2012).Impact of Customer's Satisfaction on Retail Banking. *International Referred Research Journal*, 3 (36), 15-16.

Pikkarainen, K., Pikkarainen, T., Karjaluoto, H., and Pahnila, S. (2006). The Measurement of End-User Computing Satisfaction of Online Banking Services: Empirical Evidence from Finland. *International Journal of Bank Marketing*, *24* (3), 158-172

Praveeth, K. (2007). *Perceptions of Customers on Retail Banking: A Comparative Study between Public Sector Banks and Private Sector Banks.*   M Phil Dissertation, Kerala University.

Revathy, B. (2012). Indian Retail Banking Industry: Drivers and dooms- an Empirical Study. *International Journal of Multidisciplinary Management Studies,* 2 (1), 132-147.

Santi, G and Soma D. (2007). Retail Banking in Indian Scheduled Commercial Banks- a Study. *Banking Finance*, XX (12).

Shyamala, G. (2006). Retail Banking –Opportunities and Challenges. *Bank Quest,* 77 (4), 6-10.

Sudhir, M. (2005). Retail Banking in India - a Paradigm Shift. *Chartered Financial Analyst,* XI (2), 63-64

Uppal R K. (2009). Business Retail Banking Strategies in the Liberalized and Globalized Era. *The IUP Journal of Business Strategy*, VI (3,4).

Uppal, R. K. (2008).   Retail Banking in India: Emerging Issues and Future Outlook. *Management Trends,* 4 (2), 1-5.

Venkata, S., Shaiah, S. and Vunyale, N (2007). Factor Affecting Customers' Choice of Retail Banking. ICFAI University Press Hyderabad. 55-52.

Zhou, L. (2004). A Dimension-Specific Analysis of Performance-Only Measurement of Service Quality and Satisfaction in China's Retail Banking. *Journal of Services Marketing*, *18* (7), 534-546.

APPENDIX

CHRISTIAN SERVICE UNIVERSITY COLLEGE
SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING AND FINANCE

This study is conducted in partial fulfillment of the award of BSc Banking and Finance in the

Christian Service University College(CSUC). This questionnaire is designed to collect data for

"Assessing the importance of retail banking to the development of Ghana". data from

Adum (Kumasi)

We shall highly appreciate if you may attempt to complete this questionnaire. All information provided will be treated with extreme confidentiality

SECTION A: DEMOGRAPHICS

1. Age: Below 20 years   [   ]
                  20 to 30 years   [   ]
                  41 to 50 years   [   ]
                  50 years and above   [   ]

2. Gender: Male   [   ]
              Female   [   ]

3. Employment status: Employed   [   ]
                         Unemployed   [   ]

4.   Level of education: SSCE/ WASSCE   [   ]
                                 DIPLOMA   [   ]
                                 DEGREE   [   ]
                                 OTHER   [   ] …………………………..

5.   How long have you been transacting business/working with your bank?

        Less than 5 years   [   ]
        6 to 10 years   [   ]
        11 years and above   [   ]

SECTION B: MAJOR IMPORTANCE OF RETAIL BANKING

Formally, banks were mostly giving services to only corporate entities, but now the operations of banks have also been centered on satisfying individuals and households which is called The Retail Banking.

How would you rate the following importance of retail banking? Using the following scale for scoring.

Not at all important	slightly important	neutral	Very important	Extremely important
1	2	3	4	5

	1	2	3	4	5
Retail banking increases profitability of banks.					
Retail banking has contributed to fighting against the menace of unemployment in the nation.					
Retail banking makes government fiscal policies more effective.					
Retail banking helps to protect and maintain the nation's currency much better.					
Retail banking enable people to have exceptional financial management.					

SECTION C: WHY CLIENTS PREFER RETAIL BANKS TO OTHER TYPES OF BANKS

How would you rate the truthfulness in the following statement with respect to reasons why clients prefer retail banks to other types? Using the following scale for scoring.

Very Untrue	Untrue	Neutral	True	Very True
1	2	3	4	5

	1	2	3	4	5
The personnel in retail banks are comparatively better than those in other types of banks.					
It is easy accessing the service of retail banks as compared to other types of banks.					
Service charges are more affordable as compared to other types of banks.					
There is greater accountability and integrity in retail banks more than other types of banks.					
Transactions at retail banks are confidential and secured more than other banks.					

SECTION D: REASONS WHY PEOPLE DO NOT LIKE RETAIL BANKING

How would you rate the truthfulness in the following statement with respect to reasons why people do not like retail banking? Using the following scale for scoring.

Very Untrue	Untrue	Neutral	True	Very True
1	2	3	4	5

	1	2	3	4	5
Retail banking is costly and time consuming.					

	1	2	3	4	5
Monitoring and follow up of loan account in retail banks is more difficult.					
It is difficult to exploit investment in retail banks at full length.					
Retail banking requires high technological know-how.					
Retail banking is presumed to be for the middle and low class when it comes to social and economic status.					

SECTION E: CHALLENGES IN THE RETAIL BANKING INDUSTRY

To what extent do you agree to the following statement as a challenge to the retail banking industry? Using the following scale for scoring.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

	1	2	3	4	5
There is high and increasing competition among retail banks.					
Difficulties in identifying and meeting customer's interests individually.					
There is much pressure from regulatory bodies on retail banks.					
There is inadequate competent personnel to be hired by retail banks					
Employees engagement and retention poses treat to the operations of retail banks.					

SECTION F: WAYS BY WHICH RETAIL BANKING CAN BE IMPROVED

To what extent do you agree to the following statements as ways by which retail banking can be improved? Using the following scale for scoring.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

	1	2	3	4	5
Government must own greater share in all retail banks.					
There must be deliberate education of people on retail banking					
Retail banks must focus on customer relationship more than promoting sales.					
Retail banks must focus on maximizing sales rather than building customer relationship					
Every activity of retail banks must be subjected to public scrutiny.					

THANK YOU…….!